
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) February 16, 2005

Hurco Companies, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Indiana
(State or Other Jurisdiction of Incorporation)

0-9143
(Commission File Number)

35-1150732
(I.R.S. Employer Identification Number)

One Technology Way
Indianapolis, Indiana
(Address of principal executive offices)

46268
(Zip code)

(317) 293-5309
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operation and Financial Condition

On February 16, 2005, Hurco Companies, Inc. (the "Registrant") reported its results of operations for the first quarter ended January 31, 2005. The Registrant's earnings release for the period is attached as Exhibit 99 and the information set forth therein is incorporated herein by reference and constitutes a part of this report. The attached Exhibit is furnished pursuant to Item 2.02 of Form 8-K.

Item 9.01 Financial Statements and Exhibits.

99 Press Release dated February 16, 2005

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 16, 2005

HURCO COMPANIES, INC

By: /s/ Stephen J. Alesia

Vice President and

Chief Financial Officer

EXHIBIT INDEX

Exhibit 99 Press Release of Hurco Companies, Inc. dated February 16, 2005

FOR IMMEDIATE RELEASE
WEDNESDAY, FEBRUARY 16, 2005

HURCO REPORTS RECORD SALES AND OPERATING PROFIT IN FIRST QUARTER 2005 RESULTS

INDIANAPOLIS, INDIANA, — February 16, 2005, Hurco Companies, Inc. (NASDAQ: HURC) today reported net income of \$3,030,000 or \$.48 per share, for its first fiscal quarter, which ended January 31, 2005, compared to a \$669,000, or \$.12 per share, for the 2004 corresponding period.

The Company attributed its improved results to increased sales of computerized machine tools and to a lesser extent, the favorable effect of stronger European currencies when translating foreign sales into U.S. Dollars for financial reporting purposes.

Sales and service fees for the first quarter of fiscal 2005 were the highest in the company's 26-year history and totaled \$30,246,000, an increase of \$7,528,000, or 33%, from the amount recorded in the prior year due to an overall 31% increase in unit sales of computerized machine tools and to the favorable effects of foreign currency translation. Approximately 66% of Hurco's sales during the 2005 period were made outside the United States and were denominated in local currencies (primarily the Euro and Pound Sterling). As a result, approximately \$1,474,000, or 20%, of the increase was attributable to currency translation.

New order bookings for the first quarter of fiscal 2005 were \$26,884,000, an increase of \$3,337,000, or 14%, over the amount recorded in the first fiscal quarter of 2004 due to increased orders in the United States and the favorable effect of stronger European currencies. Approximately \$1,100,000, or 33%, of the increase was attributable to currency translation effects. Backlog was \$9,629,000 at January 31, 2005, compared to \$12,746,000 at October 31, 2004.

Gross margin for the first quarter of 2005 was 32% compared to 29% for the prior year period. Selling, general and administrative expenses were \$6,187,000, an increase of approximately \$1,260,000, or 26%, from the prior year period, due to currency translation effects and increased selling and marketing expenses.

Operating profit for the first quarter of fiscal 2005 was a record for Hurco and totaled \$3,553,000, or 12% of sales and service fees, compared to \$1,604,000, or 7% of sales and service fees in the prior year.

Total debt was \$4,425,000 at January 31, 2005, as compared to \$4,600,000 at October 31, 2004, and was 9% of total debt and shareholders' equity, which aggregated \$48,527,000. As of January 31, 2005, the Company had unutilized credit facilities of \$11,353,000 available for direct borrowing or commercial letters of credit.

Michael Doar, Chief Executive Officer, stated, "I am pleased with the first quarter results and that our operating profit as a percentage of sales surpassed our corporate goal of 10%. Our sales and services fees in the first quarter of fiscal 2005 included approximately \$800,000 from our new lathe product line. We are continuing to invest in research and development, as new products introductions have been a major contributor to our success the past two years."

Hurco Companies, Inc. is an industrial technology company that designs and produces interactive computer controls, software and computerized machine tools for the worldwide metal cutting and metal forming industry. The end market for the Company's products consists primarily of independent job shops and short-run manufacturing operations within large corporations in industries such as the aerospace, defense, medical equipment, energy, transportation and computer equipment. The Company is based in Indianapolis, Indiana, and has sales, application engineering and service subsidiaries in High Wycombe, England; Munich, Germany; Paris, France; Milan, Italy; Shanghai, China and Singapore, along with manufacturing operations in Taiwan. Products are sold through independent agents and distributors in the United States, Europe and Asia. The Company also has direct sales forces in the United Kingdom, Germany, France, Italy, and Asia.

Web Site: www.hurco.com

This news release contains forward looking statements which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others, changes in general economic and business conditions that affect demand for computerized machine systems, computer numerical control systems and software products, changes in manufacturing markets, innovations by competitors, quality and delivery performance by our contract manufacturers and governmental actions and initiatives including import and export restrictions and tariffs.

Hurco Companies, Inc.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In thousands, except per-share data)

	Three Months Ended January 31,	
	2005	2004
	(unaudited)	
Sales and service fees	\$ 30,246	\$ 22,718
Cost of sales and service	20,506	16,187
Gross profit	9,740	6,531
Selling, general and administrative expenses	6,187	4,927
Operating income	3,553	1,604
Interest expense	83	144
Variable options expense	-	255
Other expense, net	71	170
Income before taxes	3,399	1,035
Provision for income taxes	369	366
Net income	\$ 3,030	\$ 669
Earnings per common share		
Basic	\$ 0.50	\$ 0.12
Diluted	\$ 0.48	\$ 0.12
Weighted average common shares outstanding		
Basic	6,071	5,588
Diluted	6,270	5,753
OTHER CONSOLIDATED FINANCIAL DATA		
Operating Data:	Three Months Ended January 31,	
(unaudited)	2005	2004
Gross margin	32.2%	28.7%
SG&A expense as a percentage of sales	20.5%	21.7%
Operating income as a percentage of sales	11.7%	7.1%
Pre-tax income as a percentage of sales	11.2%	4.6%
Depreciation	317	331
Capital expenditures	622	471
Balance Sheet Data:	1/31/2005	10/31/2004
Working capital	\$ 31,790	\$ 26,664
Days sales outstanding	38	38
Inventory turns	2.4	2.3

Capitalization

Total Debt	\$	4,425	\$	4,600
Shareholders' Equity		<u>44,102</u>		<u>38,455</u>
Total	\$	<u>48,527</u>	\$	<u>43,055</u>

Hurco Companies, Inc.
CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands, except per-share data)

	January 31, 2005	October 31, 2004
	(unaudited)	(audited)
ASSETS		
Cash and cash equivalents	\$ 11,303	\$ 8,249
Cash - restricted	-	277
Accounts receivable	16,651	17,337
Inventories	31,394	28,937
Other	3,232	1,672
Total current assets	62,580	56,472
Property and equipment:		
Land	761	761
Building	7,205	7,205
Machinery and equipment	12,645	12,106
Leasehold improvements	700	676
	21,311	20,748
Less accumulated depreciation and amortization	(12,772)	(12,512)
	8,539	8,236
Software development costs, less amortization	2,979	2,920
Investments and other assets	5,878	5,818
	\$ 79,976	\$ 73,446
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 19,249	\$ 18,361
Accrued expenses	11,541	11,447
Bank debt	-	-
Current portion of long-term debt	319	317
Total current liabilities	31,109	30,125
Non-current liabilities:		
Long-term debt	4,106	4,283
Deferred credits and other obligations	659	583
Total liabilities	35,874	34,991
Shareholders' equity:		
Preferred stock: no par value per share; 1,000,000 shares authorized; no shares issued		
Common stock: no par value; \$.10 stated value per share; 12,500,000 shares authorized; and 6,177,714 and 6,019,594 shares issued, respectively	618	602
Additional paid-in capital	47,425	46,778
Accumulated deficit	(412)	(3,442)
Accumulated other comprehensive income	(3,529)	(5,483)
Total shareholders' equity	44,102	38,455
	\$ 79,976	\$ 73,446